

4-18-02 Assessment db updated cm

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ARIZONA CORPORATION
COMMISSION

APR 16 2002

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

R

WS-02156A *WATER*
RIO VERDE UTILITIES-~~SEWER~~ DIVISION
25609 DANNY LANE, STE 1
RIO VERDE AZ 85263-

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
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FOR COMMISSION USE

ANN04	01
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Processed by:

4-18-02 cm

SCANNED

Statutory Agent: Jim Thomson

(Name)

25609 N Danny Lane

(Street)

Rio Verde

(City)

AZ

(State)

85263

(Zip)

480-471-7247

Telephone No. (Include Area Code)

480-471-7636

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Richard Salquist

(Name)

2525 E Arizona Biltmore Circle #117 Phoenix

(Street)

(City)

AZ

(State)

85016

(Zip)

602-224-9222

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☒ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY INFORMATION

Company Name (Business Name) <u>Rio Verde Utilities, Inc.</u>			
Mailing Address <u>25609 N Danny Lane, Suite 1</u>			
(Street)			
<u>Rio Verde</u>	<u>AZ</u>	<u>85263</u>	
(City)	(State)	(Zip)	
<u>480-471-7247</u>	<u>480-471-7636</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			
Local Office Mailing Address <u>25609 N Danny Lane</u>			
(Street)			
<u>Rio Verde</u>	<u>AZ</u>	<u>85263</u>	
(City)	(State)	(Zip)	
<u>480-471-7247</u>	<u>480-471-7636</u>		
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			

MANAGEMENT INFORMATION

Management Contact: <u>Jim Thomson</u>			
(Name)			
(Title)			
<u>25609 N Danny Lane</u>	<u>Rio Verde</u>	<u>AZ</u>	<u>85263</u>
(Street)	(City)	(State)	(Zip)
<u>480-471-7247</u>	<u>480-471-7636</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: <u>Mike Kleminski</u>			
(Name)			
<u>25202 Forest Rd</u>	<u>Rio Verde</u>	<u>AZ</u>	<u>85263</u>
(Street)	(City)	(State)	(Zip)
<u>480-471-2609</u>	<u>480-471-7636</u>	<u>602-677-3837</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			

COMPANY NAME

RIO VERDE UTILITIES, INC.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	1,380		
302	Franchises	-		
303	Land and Land Rights	176,512		
304	Structures and Improvements	33,133		
307	Wells and Springs	2,145,196		
311	Pumping Equipment	938,646		
320	Water Treatment Equipment	12,184		
330	Distribution Reservoirs and Standpipes	290,223		
331	Transmission and Distribution Mains	2,548,306		
333	Services	372,885		
334	Meters and Meter Installations	103,886		
335	Hydrants	183,259		
336	Backflow Prevention Devices	-		
339	Other Plant and Misc. Equipment	-		
340	Office Furniture and Equipment	-		
341	Transportation Equipment	18,278		
343	Tools, Shop and Garage Equipment	11,964		
344	Laboratory Equipment	6,136		
345	Power Operated Equipment	-		
346	Communication Equipment	61,507		
347	Miscellaneous Equipment	-		
348	Other Tangible Plant	121,044		
	TOTALS	7,024,539	1,361,148	5,663,391

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME RIO VERDE UTILITIES, INC.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	1,380		
302	Franchises	-		
303	Land and Land Rights	176,512		
304	Structures and Improvements	33,133		
307	Wells and Springs	2,145,196		
311	Pumping Equipment	938,646		
320	Water Treatment Equipment	12,184		
330	Distribution Reservoirs and Standpipes	290,223		
331	Transmission and Distribution Mains	2,548,306		
333	Services	372,885		
334	Meters and Meter Installations	103,886		
335	Hydrants	183,259		
336	Backflow Prevention Devices	-		
339	Other Plant and Misc. Equipment	-		
340	Office Furniture and Equipment	-		
341	Transportation Equipment	18,278		
343	Tools, Shop and Garage Equipment	11,964		
344	Laboratory Equipment	6136		
345	Power Operated Equipment	-		
346	Communication Equipment	61,507		
347	Miscellaneous Equipment	-		
348	Other Tangible Plant	121,044		
	TOTALS	7,024,539	3.064119	156,021

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME

RIO VERDE UTILITIES, INC.

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 12,171	\$ 4719
134	Working Funds	-	-
135	Temporary Cash Investments	-	29036
141	Customer Accounts Receivable	56,339	31323
146	Notes/Receivables from Associated Companies	-	-
151	Plant Material and Supplies	1,928	1149
162	Prepayments	72,400	85200
174	Miscellaneous Current and Accrued Assets	-	-
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 142,838	\$ 151,427
	FIXED ASSETS		
101	Utility Plant in Service	\$ 6,565,880	\$ 7024,539
103	Property Held for Future Use	-	293,513
105	Construction Work in Progress	103,793	-
108	Accumulated Depreciation - Utility Plant	< 1,220,724 >	< 1361,148 >
121	Non-Utility Property	-	-
122	Accumulated Depreciation - Non Utility	-	-
	TOTAL FIXED ASSETS	\$ 5,448,949	\$ 5,956,904
	TOTAL ASSETS	\$ 5,591,787	\$ 6,108,331

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME RIO VERDE UTILITIES, INC.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 38,730	\$ 53,534
232	Notes Payable (Current Portion)	—	37,672
234	Notes/Accounts Payable to Associated Companies	820,580	35803
235	Customer Deposits	—	—
236	Accrued Taxes	5,492	6,391
237	Accrued Interest	—	—
241	Miscellaneous Current and Accrued Liabilities	500	46,752
	TOTAL CURRENT LIABILITIES	\$ 865,302	\$ 180,152
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 552,582	\$ 1,338,391
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ —	\$ —
252	Advances in Aid of Construction	135,557	135,690
255	Accumulated Deferred Investment Tax Credits	31,846	29,402
271	Contributions in Aid of Construction	1,249,448	1,210,617
272	Less: Amortization of Contributions	—	—
281	Accumulated Deferred Income Tax	44,019	161,495
	TOTAL DEFERRED CREDITS	\$ 1,460,870	\$ 1,537,204
	TOTAL LIABILITIES	\$ 2,878,754	\$ 3,055,747
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 1,412,364	\$ 1,412,364
211	Paid in Capital in Excess of Par Value	—	—
215	Retained Earnings	1,300,669	1,640,220
218	Proprietary Capital (Sole Props and Partnerships)	—	—
	TOTAL CAPITAL	\$ 2,713,033	\$ 3,052,584
	TOTAL LIABILITIES AND CAPITAL	\$ 5,591,787	\$ 6,108,331

COMPANY NAME RIO VERDE UTILITIES, INC.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 1,011,818	\$ 1,172,171
460	Unmetered Water Revenue	-	-
474	Other Water Revenues	-	-
	TOTAL REVENUES	\$ 1,011,818	\$ 1,172,171
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 94,901	\$ 91,690
610	Purchased Water	68,237	58,212
615	Purchased Power	167,374	143,343
618	Chemicals	674	967
620	Repairs and Maintenance	47,525	89,745
621	Office Supplies and Expense	2749	4,646
630	Outside Services	39583	49,489
635	Water Testing	7677	13,443
641	Rents	-	-
650	Transportation Expenses	3669	3,100
657	Insurance - General Liability	7182	9261
659	Insurance - Health and Life	6065	5145
666	Regulatory Commission Expense - Rate Case	-	-
675	Miscellaneous Expense	15580	66,235
403	Depreciation Expense	155807	156,021
408	Taxes Other Than Income	12,451	10,859
408.11	Property Taxes	28,448	27,117
409	Income Tax	24,794	42,484
	TOTAL OPERATING EXPENSES	\$ 682,716	\$ 771,757
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ (21406)	\$ (12,219)
421	Non-Utility Income	-	-
426	Miscellaneous Non-Utility Expenses	-	-
427	Interest Expense	53,105	73,082
	TOTAL OTHER INCOME/EXP	\$ 31,699	\$ 60,863
	NET INCOME/(LOSS)	\$ 297,403	\$ 339,551

COMPANY NAME RIO VERDE UTILITIES, INC.

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	12/31/96	12/5/01		
Source of Loan	SECOND AZ RIO VERDE	CO BANK		
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ 600,000	\$ 838,522	\$	\$
Amount Outstanding	\$ 537,541	\$ 838,522	\$	\$
Date of Maturity	12/31/2016	12-21-2021		
Interest Rate	9.8%	VAR. 4.75%		
Current Year Interest	\$ 53,489	\$ 41,786	\$	\$
Current Year Principle	\$ 15,041	\$ 22,631	\$	\$

Meter Deposit Balance at Test Year End \$ 135,690

Meter Deposits Refunded During the Test Year \$ 20,522

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
55-606073	25	333	12"	6
55-606071	75	750	18	6
55-561190	200	1200	10	12
55-506808	10	120	16-12	12
55-510881	200	950	16	8
55-511320	40	340	16	6
55-561226	400	2000	16	12
55-578746	20	500	12	6

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Water Exchange SRP/CAWCO	N/A	71,459

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = 827,764

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
30	2	205	
50	1		
300	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity (GALLONS)	Quantity	Capacity	Quantity
300,000	1	500 GAL	1
740,000	1		

STATISTICAL INFORMATION

Total number of customers	<u>1361</u>	
Total number of gallons sold	<u>811,332,095</u>	gallons

COMPANY NAME RIO VERDE UTILITIES, INC. YEAR ENDING 12/31/2001

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 30,391

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

COMPANY NAME RIO VERDE UTILITIES, INC. YEAR ENDING 12/31/2001

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported \$ 166,000
Estimated or Actual Federal Tax Liability 7,750

State Taxable Income Reported \$ 166,000
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

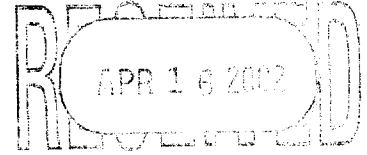
4/15/02
DATE

Jim Thomson
PRINTED NAME

Vice President
TITLE

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



Director of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>MARICOPA</u>	
NAME (OWNER OR OFFICIAL) <u>JIM THOMSON</u>	TITLE <u>V.P.</u>
COMPANY NAME <u>RIO VERDE UTILITIES, INC</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2001</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES <u>\$ 404,454</u>
--

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 24,316
IN SALES TAXES BILLED, OR COLLECTED

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

X

SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

15th

DAY OF

NOTARY PUBLIC NAME <u>DIANE LEDFORD</u>	
COUNTY NAME <u>MARICOPA</u>	
MONTH <u>APRIL</u>	200 <u>2</u>

(SEAL)

MY COMMISSION EXPIRES

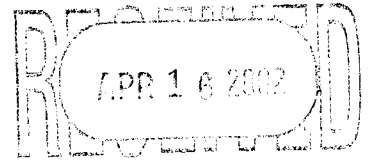


X

SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>MARICOPA</u>	Director of Utilities
NAME (OWNER OR OFFICIAL) TITLE <u>JIM THOMSON, V.P.</u>	
COMPANY NAME <u>RIO VERDE UTILITIES, INC.</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 1,246,735

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 74,564

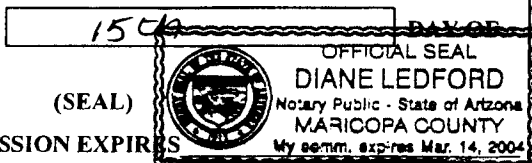
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



(SEAL)

MY COMMISSION EXPIRES

SIGNATURE OF OWNER OR OFFICIAL
[Signature]
480-471-7247
TELEPHONE NUMBER

COUNTY NAME <u>MARICOPA</u>	
MONTH <u>APRIL</u>	<u>20</u> 02
SIGNATURE OF NOTARY PUBLIC <u>[Signature]</u>	

PO BOX 117478
ALBUQUERQUE, NM 87117
NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

Twenty-Six Thousand Seven Hundred Twenty-Eight and 14/100 Dollars

ONE

NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

OCT 25, 2004

*****29,728.24

THE BRADDOCK COUNTY TREASURER
P O BOX 71576
WINSTON-SALEM, NC 27157-0576

NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

PO BOX 117478 ALBUQUERQUE, NM 87117

*****29,728.24

11/01/01

9608

29,728.24

RED WIND UTILITIES, INC.
8000 WINDY LAKE, STE. 1
RED WIND, AZ 85008

ARMED AND
DANGEROUS
BY ORDER

9254

CHECK NO. 7254 DATE MAR 15, 2001 AMOUNT *****\$25,158.74

FOR Twenty-Five Thousand One Hundred Fifty-Eight and 74/100 Dollars
TO THE ORDER OF
NATIONAL COUNTY THROBAMER
P O BOX 76578
PHOENIX AZ
85062-5578

⑆0009254⑆ 61221053596 ⑆603520628⑆

[Signature]
⑆000251587⑆

3/21/01 9254 25,158.74